

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT	)	CASE NO.
FILING OF GARRARD COUNTY	)	2011-00384
WATER ASSOCIATION, INC.	)	

ORDER

On September 22, 2011, Garrard County Water Association, Inc. ("Garrard") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Garrard purchases water from the city of Lancaster ("Lancaster"), the city of Berea ("Berea") and the city of Danville ("Danville").
2. Berea notified Garrard that, effective November 10, 2011, Berea's wholesale water rate to Garrard will increase from \$2.17 per 1,000 gallons to \$2.50 per 1,000 gallons.
3. Garrard proposed a purchased water adjustment factor of \$0.04 per 1,000 gallons.
4. Garrard proposed an effective date of November 10, 2011.

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<sup>1</sup> KRS 278.012; 807 KAR 5:068.

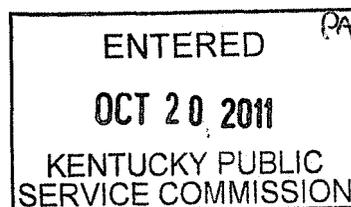
5. During the 12 months ending August 31, 2011, Garrard purchased 270,672,220 gallons of water from Lancaster, 30,827,324 gallons of water from Berea, 93,998,087 gallons of water from Danville, and sold 303,400,403 gallons of water. The increase in the cost of purchased water is \$10,173.02, resulting in a purchased water adjustment factor of \$0.04 per 1,000 gallons.

6. The purchased water adjustment factor of \$0.04 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Garrard's proposed rates are approved.
2. The purchased water adjustment factor of \$0.04 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are fair, just, and reasonable and are approved for services rendered on or after November 10, 2011.
4. Garrard's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2011-00384 DATED **OCT 20 2011**

Lancaster	New Rate No change	Base Rate No change
Berea		
Purchases in gallons	30,827,324	30,827,324
Volumetric rate	<u>\$ 2.50 / 1,000</u>	<u>\$2.17/ 1,000</u>
	\$ 77,068.31	\$ 66,895.29
Danville	No Change	No Change
	Increased water cost	\$10,173.02

Increased water cost	\$ 10,173.02
Divided by gallons sold	<u>303,400,403</u>
Purchased water adjustment factor	\$0.04 per 1,000 gallons

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00384 DATED **OCT 20 2011**

The following rates and charges are prescribed for the customers in the area served by Garrard County Water Association, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

#### Monthly Water Rates

##### 5/8 Inch x 3/4 Inch Meter

First	1,000 gallons	\$10.23 Minimum Bill
Next	1,000 gallons	5.33 per 1,000 gallons
Next	1,000 gallons	4.23 per 1,000 gallons
Next	2,000 gallons	4.03 per 1,000 gallons
Over	5,000 gallons	3.73 per 1,000 gallons

##### 1 Inch Meter

First	5,000 gallons	\$27.85 Minimum Bill
Over	5,000 gallons	3.73 per 1,000 gallons

##### 1 1/2 Inch Meter

First	10,000 gallons	\$46.50 Minimum Bill
Over	10,000 gallons	3.73 per 1,000 gallons

##### 2 Inch Meter

First	25,000 gallons	\$102.45 Minimum Bill
Over	25,000 gallons	3.73 per 1,000 gallons

##### Bulk Sales

\$5.25 per 1,000 gallons

Paul Reynolds  
Chairman / President  
Garrard County Water Association, Inc.  
315 Lexington Road  
P. O. Box 670  
Lancaster, KY 40444